CONCORDIA UNIVERSITY

BOARD OF GOVERNORS

CONCORDIA EMPLOYEE BENEFITS COMMITTEE

Minutes of the meeting held December 16, 1983

Present: Chairman, Mr. G. Fisher, Prof. L. Bessner, Dr. J. Daniel (Voting designate for V.R.A.F.), Ms. A. Kerby, Dr. H. Ladd, Miss S. O'Reilly, Mr. B. Smart, Mr. M. Hamilton of Wm. M. Mercer Ltd., Ms. E. Gardham and Miss D. Johnson.

Regrets: Mr. M. Bourgault, Mr. R. Groome and Prof. G. Martin

The meeting was called to order at 12:25.

Approval of Minutes - November 8, 1983

The chairman called for approval of the minutes of the last meeting. A motion was proposed by Ms. Kerby, seconded by Prof. Bessner and unanimously carried.

Revised Pension Plan Text

Mr. M. Hamilton reviewed the amendmentsto the pension plan document. It was noted that changes were indicated by lines in the right margin of the draft document issued to committee members.

Articles 1.6, 1.7, & 1.8	-	reflect changes made to the University Plan at the recommendation of this committee.
Article 2.4	-	restated for clarity.
Article 2.7	-	expanded to reflect the restriction following receipt of pension from the Plan.
Article 2.12	-	expanded to include 60 months as well as 5 Academic Years.
Article 2.19	-	expanded to include members of former plans.
Section III	-	no change.
Section IV	-	restated for clarity.
Section V	-	this section has been added to cover the amendments relating to members on Long Term Disability.

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Section VI
Article 6.4 - added to comply with the requirements of Revenue Canada.

Article 6.5 c) - removed as it is no longer required.

Article 7.5 - reiterates that a 'member' who is in receipt of a pension from the University Plan shall cease to contribute.

Members of the committee requested that this article be clarified and include ".....payable from the Plan, ..." .

Article 8.1 d) - reflects the effective date of the Loyola College Pension Plan under Manulife Policy 5145.

The effective date should read April 1, 1973 not January 1, 1973.

Section IX
Article 9.1 - describes those receiving survivor benefits.

Article 9.2 - Reflects the schedule of increments with minimum and maximum credited service provisions. (Supplementary pensions.)

Article 9.3 - applies to supplementary pensions payable under former plans.

Section X - this section describes the process whereby we are improving past service benefits.

Article 11.4 - this provision was not spelled out in the previous Plan document, it has been added for clarity.

Section XII - No changes.

Article 13.2 - reflects a requirement of Revenue Canada.

Article 14.2 d) - allows members to receive a greater benefit from the Concordia Plan until they are eligible for government pensions.

Article 14.4 - provides for the election of a Joint & Survivor option after age 65 if the member is still working.

Article 15.2 - reflects the revised composition of the committee. Academic participants representatives are no longer elected in accordance with a negotiated agreement with CUFA. Academic representatives will be appointed by CUFA.

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Amended

Article 15.10 - spells out the Quorum of Committee.

Prof. Ladd requested that Quorum be amended to encompass a broader participation by adding ".....at least (5) five voting members,...." . A resolution to amend Quorum accordingly was put forward by Mr. Smart, seconded by Ms. Kerby and unanimously carried.The resolution follows:

BE IT RESOLVED THAT

Quorum shall be constituted if at least (5) five voting members then in office shall be in attendance. Committee decisions shall be by a majority vote of those in attendance which must include:

- one (1) voting member of the Board of Governors.
- the Vice Rector, Administration & Finance, or his designate.
- one (1) academic representative
- one (1) non-academic representative.

The Chairman called for a motion to approve the revised Pension Plan document, as amended. The motion was proposed by Prof. Bessner, seconded by Ms. Kerby and unanimously carried.

The text will be submitted to the Board for approval prior to submission to Revenue Canada and the Quebec Pension Board.

Concordia Past Service

Prof. Bessner noted that he had requested further information regarding the University's contributions to the Pension Plan. The letter from Mr. Hamilton will be included in the official minutes as Appendix A.

Mr. Hamilton noted that the last paragraph provides the reasons for the additional contributions from the University. The Pension Plan is still under-funded by $400,000. but it is just about perfectly balanced. Funds had to be provided for the following items approved by this Committee:

a) Supplemental pensions

b) Past Service benefits

c) Improved pensions for disabled members

It was noted that prudence is an essential element in Pension Plan decision making. We should not get carried away by every market movement in our decision making practices.

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Amended

Mr. Smartpointed out that the timing of further decisions was debated quite vigorously and the time has not yet arrived.

Prof. Bessner added that the Board expects to hear from Committee in April or May 1984 and we should do our homework so we can make an intelligent decision to take to the Board. He asked what additional contributions would be required over the next ten years to equalize all pension benefits.

Mr. Hamilton noted that the cost would be $400,000. per year over the next (15) fifteen years. These figures were presented to Committee last year.

The Chairman noted that he was disturbed to note that some members seemed to be confusing legitimate forecasts of the pension plan value with fluctuations in the market from year to year. The Pension Plan is presently under-funded by $400,000., there is no other number.

Prof. Bessner asked if the 5 million dollars does exist. The Chairman explained that this amount would only become a reality if the Concordia Plan was disposed of on the day the forecast was made.

Prof. Bessner put forward a request for a letter from Mercers indicating the additional contributions that would now be needed to equalize the fund.

Mr. Hamilton pointed out that we are near the point of producing the valuation and if the committee wants accurate information we would be advised to wait for the actuarial results which will probably be ready in May.

Mr. Smart reiterated that committee should stick to our annual review and update it for the current year rather than pick at the figures piecemeal. We must include both the liabilities and the assets and stick to our original recommendation.

Prof. Bessner asked if it would be possible to have the actuarial report for our April meeting. Mr. Hamilton responded that it may be possible but the delivery of the employee benefits statements may suffer as a result.

Prof. Ladd asked if the Vice Rector, Administration & Finance could be encouraged to be at our next meeting. It was noted that Prof. Martin had a previous obligation and he was expected to be in attendance at the next meeting.

The chairman asked Mercers to give priority to valuation results.

Prof. Ladd noted that he had given the report on the dental care proposal to C.U.F.A. and would report their comments to Committee at a later meeting.

The Chairman asked Mercers to give priority to valuation results.

The meeting adjourned.

Respectfully submitted,

M. Dawn Johnson

M. Dawn Johnson, Secretary

Special thanks to recording secretary E. Gardham.